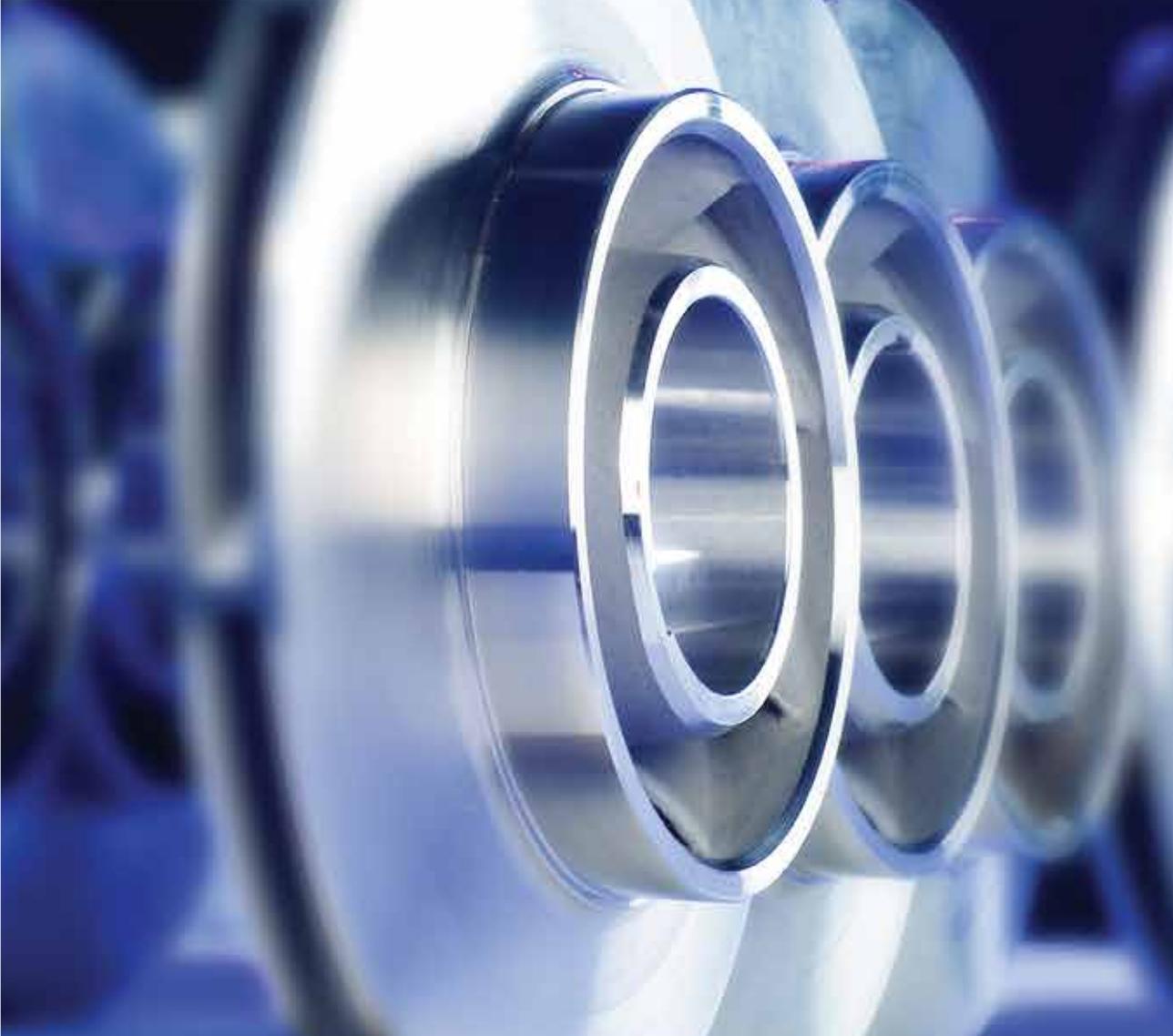


Half Yearly Report (Un-Audited)

For the Period ended June 30, 2018
KSB Pumps Company Limited



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Company Information

Board of Directors

Tonjes Cerovsky
 Mohammad Masud Akhtar
 Sajid Mahmood Awan
 Dr. Matthias Beth
 Hasan Aziz Bilgrami
 Shezada Mazhar
 Jamal Nasim

Chairman
 Managing Director

(Nominee NIT)

Company Secretary

Sajid Mahmood Awan

Management

Mohammad Masud Akhtar
 Sajid Mahmood Awan
 Syed Tariq Ali
 Muhammad Imran Malik
 Mamoon Riaz

Chief Executive Officer
 Finance, Administration & Corporate Affairs
 Operations
 Sales & Strategic Marketing
 Projects

Auditors

A.F. Ferguson & Co.

Chartered Accountants

Legal Advisors

Mandviwala & Zafar

Bankers

Allied Bank Limited
 BankIslami Pakistan Limited
 Bank Alfalah Limited
 Deutsche Bank AG
 Habib Bank Limited
 MCB Bank Limited
 National Bank of Pakistan
 United Bank Limited

Audit Committee

Jamal Nasim
 Dr. Matthias Beth
 Shezada Mazhar

Chairman
 Member
 Member

Secretary Audit Committee

Saeed Hussain

HR & R Committee

Shezada Mazhar
 Hasan Aziz Bilgrami
 Mohammad Masud Akhtar

Chairman
 Member
 Member

Registered Office

16/2 Sir Aga Khan Road, Lahore - 54000.
 Ph: (042) 36304173, 36370969
 Fax: (042) 36368878, 36366192
 Email: info@ksb.com.pk

Works

Hazara Road, Hassanabdal
 Ph: (057) 2520236
 Fax: (057) 2520237
 Email: info@ksb.com.pk

Share Registrar

Central Depository Company of Pakistan Limited
 CDC House, 99-B, Block B, SMCHS
 Shahra-e-Faisal, Karachi-74000
 Tel: (021) 111-111-500
 Fax: (021) 34326053

Sales Offices

Lahore

16/2 Sir Aga Khan Road Lahore.
Ph: (042) 111 572 786, 36304173
Fax: (042) 36366192, 36368878
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Multan

Golden Heights, Nusrat Road, Multan.
Ph: (061) 111 572 786
Fax: (061) 4541784
Email: ksbmul@ksb.com.pk

Rawalpindi

309, A3 Peshawar Road, Westridge 1,
Opp. Valley Clinic, Rawalpindi.
Ph: (051) 111 572 786
Fax: (051) 5472612
Email: ksbrwp@ksb.com.pk

Karachi

307 & 308, 3rd Floor Parsa Tower, Block 6,
PECHS Shahrah-e-Faisal, Karachi
Ph: (021) 111 572 786 Fax: (021) 34388302
Email: ksbkhi@ksb.com.pk

Peshawar

3rd Floor, Mall Tower, 35 The Mall, Peshawar
Cell: 0300-5895289 Ph: 091-5285679
Fax: 091-5278919
Email: franchise.kpk@ksb.com.pk

KSB Partners

Sr.	Channel	City	Location	Status	Province	Partners	Contact#	Office Landline	Fax	Email
1	Dominar Engineers	Lahore	65-A Ferozpur Road, Link Samanabad Road, near LOS	KSB Partners	Punjab	Hammad Malik/ Syed Mehdi	0302-8744449/8	042-37500078	042-37500078	hammad.malik@de.com.pk
2	Industrial Development & Engineering Associates	Karachi	20-C Mezzanine Floor, Indus Center, 14th Com st. PH-II, DHA	KSB Partners	Sindh	Saqib Khawaja	0300-8203077	021-35390481/2	021-35390483	saqib@idea.com.pk
3	Wali Muhammad & Co.	Quetta	Zonkiram Road near millennium Mall	KSB Partners	Balochistan	Wali Muhammad	0300-8387668	081-2829635	081-2829635	gulistanmachinery@yahoo.com
4	Pak Atlantis Pumps	Peshawar	3rd floor, Mall Tower, 35- The Mall, Peshawar Cantt	KSB Partners	KPK	Arbab Bilal Ahmad	0308-5053175/ 0345-5555939	091-5285679	091-5278919	pakatlantis@gmail.com
5	Pak Atlantis Pumps	Rawalpindi	309, A3 Peshawar Road, Westridge 1, Opp. Valley Clinic, Rawalpindi	KSB Partners	Punjab	Arbab Bilal Ahmad	0345-5555939	051-5491413	051-5491237	pakatlantis@gmail.com
6	Modern Technology & Traders	Karachi	4th Floor, Building # 11-C/2, Lane-11 Bukhari Commercial DHA Phase-6, Karachi	KSB Partners	Sindh	Haji Iqbal Sheikh	0321-2038202/ 0333-7299905	021-35156121-4	021-35156125	qayoomshaikh3@gmail.com

Directors' Review

I am pleased to present the financial statements of KSB Pumps Company Limited for the half year ended June 30, 2018.

Pakistan achieved highest GDP growth of 5.8% during last thirteen years. Overall inflation increased but remained below 6%. Going forward, however, inflation is expected to cross the target rate, mainly based on rising oil prices and rupee devaluation. Declining foreign reserves and widening current account deficit warrant immediate action by government to raise funds. Water shortage has become a concern and would be impeding agriculture growth in the future periods. Energy shortfall has re-surfaced along with high level of circular debt. Considering the current economic conditions and rupee devaluation, State Bank of Pakistan has raised policy rate which could be a constraint to industrial growth. Serious efforts are required to have Pakistan removed from FATF's grey list. Political unrest is among other risks especially recent post-election developments on political front may slow down government forming process and thus overall economic performance. Resultantly, Pakistan's GDP growth for the year 2019 is expected to remain below target.

Despite current slowdown in economy, KSB Pakistan has secured positive financial results for the 1st half of year 2018. Revenue has increase by 7% over corresponding period of last year. Profit after tax remained PKR 170 million as compared to PKR 175 million for the 1st half of year 2017. Earnings per share remained 12.93 against PKR 13.26 for the half year ended June 30, 2017.

Overall business activity remained slow due to election process in the country. Election commission of Pakistan ceased development funds during interim period. New government will take over in August, however, public sector activity is expected to pick up in Q4-2018. In the 1st half, Industry, Energy and Building Services remained key contributing sectors to the order intake of the company. Based on healthy orders in hand, revenue and profitability projections remain positive for the year 2018.

New foundry plant has been successfully commissioned and after passing performance tests, production of certain products has commenced. Fully operational state-of-the-art foundry is to yield enhanced productivity, improved quality and work efficiency.

I would like to appreciate the commitment and efforts of the entire KSB team during 1st half and wish all the best for a successful year 2018.



Mohammad Masud Akhtar
Managing Director

August 16, 2018
Lahore, Pakistan

Independent Auditors' Review Report To the Members of KSB Pumps Company Limited

Introduction

We have reviewed the accompanying condensed interim statement of financial position of KSB Pumps Company Limited as at June 30, 2018 and the related condensed interim statement of profit or loss account and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows and notes to the financial statements for the six months period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended June 30, 2018 and 2017 have not been reviewed, as we are required to review only the cumulative figures for the six months ended June 30, 2018.

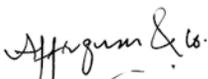
Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we could become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is Hammad Ali Ahmad.



Chartered Accountants

Name of engagement partner: Hammad Ali Ahmad
Lahore, August 20, 2018

Condensed Interim Statement of Financial Position (Un-audited)

As at June 30, 2018

	Note	June 30, 2018 (Rupees in thousand)	December 31, 2017 (Rupees in thousand)
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
15,000,000 (2017: 15,000,000) ordinary shares of Rs 10 each		150,000	150,000
Issued, subscribed and paid up capital			
13,200,000 (2017: 13,200,000) ordinary shares of Rs 10 each		132,000	132,000
General reserve		1,580,600	1,348,600
Unappropriated profit/(Loss)		170,725	390,769
		1,883,325	1,871,369
NON CURRENT LIABILITIES			
Long term finances - secured	5	312,500	304,033
Employees' retirement and other benefits		83,445	82,064
Deferred taxation		57,776	27,418
		453,721	413,515
CURRENT LIABILITIES			
Current portion of long term finances- secured		125,000	101,344
Short term finances - secured		391,459	167,870
Trade and other payables	6	2,147,284	2,089,833
Contract Liability		26,673	63,456
Provisions for other liabilities and charges		51,063	75,032
Accrued finance cost		3,155	3,771
		2,744,634	2,501,306
CONTINGENCIES AND COMMITMENTS			
	7		
		5,081,680	4,786,190

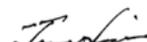
The annexed notes 1 to 17 form an integral part of this condensed interim financial information.



Chief Executive



Chief Financial Officer

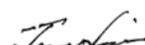


Director

	Note	June 30, 2018 (Rupees in thousand)	December 31, 2017 (Rupees in thousand)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8	1,255,080	484,056
Investment property		266	373
Intangible assets		1,665	1,793
Capital work-in-progress		42,772	759,564
Long-term loans and deposits		12,503	13,044
		1,312,286	1,258,830
CURRENT ASSETS			
Stores, spares and loose tools		95,293	77,579
Stock-in-trade		1,039,423	953,029
Trade debts	9	1,397,471	1,141,159
Contract Asset		536,521	490,956
Advances, deposits, prepayments and other receivables		569,452	400,124
Cash and bank balances		131,234	464,513
		3,769,394	3,527,360
		5,081,680	4,786,190


Chief Executive


Chief Financial Officer


Director

Condensed Interim Statement of Profit and Loss and Other Comprehensive Income (Un-audited)

For the half year ended June 30, 2018

	Note	Quarter ended		Half year ended	
		June 30, 2018	June 30, 2017 (Rupees in thousand)	June 30, 2018	June 30, 2017
Sales		1,310,305	1,345,164	2,637,295	2,458,290
Cost of sales	10	(1,072,246)	(1,036,758)	(2,144,851)	(1,912,257)
Gross profit		238,059	308,406	492,444	546,033
Distribution and marketing expenses		(80,442)	(86,739)	(150,539)	(165,975)
Administrative expenses		(63,990)	(58,488)	(130,332)	(114,513)
Other operating expenses		(235)	(16,599)	(19,385)	(35,197)
Other operating income		11,673	7,866	17,755	22,319
Profit from operations		105,065	154,446	209,943	252,667
Finance costs		(5,223)	(5,791)	(8,965)	(10,278)
Profit before taxation		99,842	148,655	200,978	242,389
Taxation		(3,966)	(43,268)	(30,358)	(67,314)
Profit after taxation		95,876	105,387	170,620	175,075
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		95,876	105,387	170,620	175,075
Earnings per share - basic & diluted Rupees		7.26	7.98	12.93	13.26

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.


Chief Executive


Chief Financial Officer


Director

Condensed Interim Statement of Cash Flows (Un-audited)

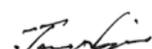
For the half year ended June 30, 2018

		Half year ended	
		June 30, 2018	June 30, 2017
		(Rupees in thousand)	
Note			
Cash flows from operating activities			
	Cash (used) / generated from operations	(317,158)	602,817
	Finance costs paid	(9,581)	(8,918)
	Taxes paid	(95,405)	(38,137)
	Employees' retirement and other benefits paid	(11,489)	(1,514)
	Net decrease / (increase) in long term loans and deposits	541	(3,772)
	Net cash used in/ generated from operating activities	(433,092)	550,476
Cash flows from investing activities			
	Fixed capital expenditure	(101,801)	(210,032)
	Proceeds from sale of property, plant and equipment	35	3,454
	Net cash used in activities	(101,767)	(206,578)
Cash flows from Financing activities			
	Long term loan-secured	32,123	131,460
	Dividend paid	(54,132)	(107,606)
	Net cash used in / from financing activities	(22,009)	23,854
	Net (decrease) / increase in cash and cash equivalents	(556,867)	367,752
	Cash and cash equivalents at the beginning of the period	296,643	109,272
	Cash and cash equivalents at the end of the period	(260,224)	477,024

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.


Chief Executive


Chief Financial Officer


Director

Condensed Interim Statement of Changes in Equity (Un-audited)

For the half year ended June 30, 2018

	Share capital	General reserves	Unappropriated profit	Total
	(Rupees in thousand)			
Balance as at January 1, 2017	132,000	1,085,600	375,617	1,593,217
Final dividend for the year ended December 31, 2016 Rs 8.5 per share	-	-	(112,200)	(112,200)
Transfer to general reserve	-	263,000	(263,000)	-
Total comprehensive income for the period	-	-	175,075	175,075
Balance as at June 30, 2017	132,000	1,348,600	175,492	1,656,092
Total comprehensive income for the period	-	-	215,277	215,277
Balance as at December 31, 2017	132,000	1,348,600	390,769	1,871,369
Final dividend for the year ended December 31, 2017 Rs 12.02 per share	-	-	(158,664)	(158,664)
Transfer to general reserve	-	232,000	(232,000)	-
Total comprehensive income for the period	-	-	170,620	170,620
Balance as at June 30, 2018	132,000	1,580,600	170,725	1,883,325

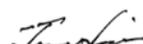
The annexed notes 1 to 17 form an integral part of this condensed interim financial information.



Chief Executive



Chief Financial Officer



Director

Notes to and Forming Part of the Condensed Interim Financial Information

For the half year ended June 30, 2018 (Un-audited)

1. Legal status and nature of business

KSB Pumps Company Limited (a KSB group company) 'The Company' was incorporated in Pakistan on July 18, 1959 under the Companies Act, 1913 (now Companies Act, 2017) and is listed on the Pakistan Stock Exchange Limited. The Company is a subsidiary of KSB SE & Co. KGaA and principally engaged in the manufacture and sale of industrial pumps, valves, castings and related parts. The registered office of the Company is situated at KSB Building, 16/2 Sir Agha Khan road, Lahore.

2. Basis of preparation

2.1 This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan. Accordingly this condensed interim financial information is unaudited and has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - "Interim Financial Reporting" and provisions of and directives issued under the Companies Act, 2017, previously Companies Ordinance 1984. Any change in presentation or classification of items has been accounted for in accordance with IAS 08 "Accounting Policies, Changes in Accounting Estimates and Errors" and IAS 01 "Presentation of Financial Statements" and is being submitted to the shareholders in accordance with Section 237 of Companies Act, 2017. In case where the requirements differ, the provisions of or directives issued by Companies Act, 2017 have been followed. The figures for the half year ended June 30, 2018 have been subjected to limited scope review as required by above-mentioned section of the Companies Act, 2017. This condensed interim financial information does not include all information required for annual financial statements and therefore should be read in conjunction with the annual financial statements for the year ended December 31, 2017.

2.2 Initial application of standards, amendments or an interpretation to existing standards

The following amendments to existing standards have been published that are applicable to the Company's financial statements covering annual periods, beginning on or after the following dates:

2.2.1 Standards, amendments and interpretations to published standards effective in current year

There were certain new standards, amendments to the approved accounting standards and new interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC). The amendments and Interpretations which became effective during the year are considered not to be relevant to the Company's operations and therefore are not detailed in these financial statements except for the amendments as explained below:

IFRS 15 'Revenue from contracts with customers' and IFRS 9, 'Financial Instruments' is effective from accounting periods beginning on or after January 1, 2018. Securities and Exchange Commission of Pakistan through an SRO 1007(1)/2017 dated October 4, 2017 has directed that the aforesaid standards shall be followed for the preparation of financial statements from the annual periods beginning on or after July 1, 2018. The Company has early adopted the standard with effect from January 1, 2018. Any change in presentation or classification of items has been accounted for in accordance with IAS-08 "Accounting Policies, Changes in Accounting Estimates and Errors. However, no restatement has been deemed necessary in this regard.

IFRS 15 'Revenue from contracts with customers' has replaced IAS 18 which covers contracts for goods and services and IAS 11 which covers construction contracts. The new standard is based on the principle that revenue is recognized when the entity satisfies a performance obligation by transferring a promised good or service.

IFRS 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets.

The application of aforementioned amendments has no material impact on the Company's financial statements.

2.2.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

The following amendments and interpretations to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after their respective effective dates but the Company has not early adopted them. They are not expected to have a material impact on Company's financial statements.

Standards or interpretations:	Effective date (accounting periods beginning on or after)
IFRS 16 - 'Leases'	January 1, 2019
IAS 12 - 'Income Taxes' in relation to amendments resulting from Annual Improvements 2015–2017 Cycle (income tax consequences of dividends)	January 1, 2019
IAS 19 - 'Employee benefits' in relation to plan amendments, curtailments or settlements	January 1, 2019
IFRIC 23 - 'Uncertainty over income tax treatments'	January 1, 2019

2.2.3 Standards, amendments and interpretations to existing standards not yet effective and not applicable/relevant to the Company

There are certain standards, amendments to the approved accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after January 1, 2018 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these financial statements.

3. Significant accounting policies

The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of preceding annual published financial statements of the company for the year ended December 31, 2017 except the application of 'IFRS 15 'Revenue from contracts with customers' and IFRS 9, 'Financial Instruments' with effect from January 1, 2018. The change in accounting policy has been accounted for retrospectively in accordance with the requirement of IAS 8 "Accounting Policies, Changes in Accounting estimates and errors". However, there has been no effect of the change in accounting policy on the current and prior financial statements except for the following reclassification in the corresponding period:

-Contract asset amounting to Rs: 490.96 million previously included in trade debts has been presented separately.

-Contract liability amounting to Rs: 63.46 million previously included in trade and other payable has been presented separately.

4. Taxation

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

5. Long term finances - secured

During the year 2016, Diminishing Musharika with a cap of Rs 500 million was obtained from BankIslami for the purpose of expansion of foundry which has been completely utilized upto June 30, 2018 (December 2017: Rs. 405.38 million). This carries mark-up at the rate of three month KIBOR plus 0.10% per annum payable quarterly. BankIslami is a related party to the company by way of common directorship.

6. Trade and other payables

Trade creditors include amount due to holding company of Rs. 252.37 million (December 2017: Rs. 176.36 million) and associated undertakings of Rs. 35.67 million (December 2017: Rs. 17.76 million).

7. Contingencies and commitments

7.1 Contingencies

The company has obtained bank guarantees of Rs. 1,557.92 million (December 2017: Rs 1,920.75 million) against the performance of various contracts.

7.2 Commitments

Letters of credit other than for capital expenditure approximately Rs. 169.710 million (December 2017: Rs. 310.01 million).

8. Property, plant and equipment

	June 30, 2018 (Rupees in thousand)	December 31, 2017
Opening book value	484,056	403,730
Add: Additions during the period	818,203	169,501
8.1	1,302,259	573,231
Less: Disposal during the period (at book value)	-	(12,648)
Depreciation charged during the period	(47,179)	(76,527)
	(47,179)	(89,175)
	1,255,080	484,056

8.1 Additions

Buildings on Freehold Land	105,240	15,350
Plant and machinery	615,510	25,611
Tools, jigs and attachments	383	1,445
Patterns	66	13,831
Other equipment	72,933	27,043
Furniture and fixtures	399	7,525
Office machines and appliances	12,893	10,431
Vehicles	10,779	68,265
	818,203	169,501

9. Trade debts

Trade Debts	1,494,025	1,240,578
Less: Provision for doubtful debts	(96,554)	(99,419)
	1,397,471	1,141,159

	Quarter ended		Half year ended	
	June 30, 2018	June 30, 2017	June 30, 2018	June 30, 2017
	-----Unaudited----- (Rupees in thousand)			
10. Cost of goods sold				
Raw material consumed	720,995	526,416	1,402,158	1,047,463
Salaries, wages, amenities and staff welfare	85,161	75,462	175,441	163,780
Staff training	202	661	202	811
Electricity and power	34,524	29,726	58,873	56,368
Stores and spares consumed	66,041	72,716	126,090	132,187
Insurance	1,563	1,996	2,986	3,345
Travelling and conveyance	15,844	15,646	31,124	29,601
Postage and telephone	2,749	2,471	5,409	5,624
Printing and stationery	2,670	687	3,746	1,171
Rent, rates and taxes	1,548	2,166	3,971	4,088
Repairs and maintenance	7,400	(2,452)	16,327	149
Legal & Professional charges	10.1 2,793	3,280	4,601	7,386
SAP user license fee and other IT services	3,190	2,139	8,614	6,711
Packing expenses	10,862	10,287	21,318	18,108
Outside services	168,278	217,930	250,566	360,068
Depreciation on Property, plant and equipment	22,448	14,082	38,732	27,301
Provision for obsolete stores & stocks	1,500	20,500	3,000	22,000
Royalty & Trademark	5,784	4,766	11,418	8,662
Other expenses	5,464	1,369	8,814	3,136
	1,159,016	999,848	2,173,390	1,897,959
Opening work-in-process	409,915	537,318	465,442	521,013
Less: Closing work-in-process	(449,350)	(486,575)	(449,350)	(486,575)
(Increase)/ Decrease in work in process	(39,435)	50,743	16,092	34,438
Cost of goods manufactured	1,119,581	1,050,591	2,189,482	1,932,397
Opening stock of finished goods	77,832	20,709	80,536	14,402
Less: Closing stock of finished goods	(125,167)	(34,542)	(125,167)	(34,542)
(Increase) in finished goods	(47,335)	(13,833)	(44,631)	(20,140)
	1,072,246	1,036,758	2,144,851	1,912,257
Less: Cost of capital assets manufactured	-	-	-	-
	1,072,246	1,036,758	2,144,851	1,912,257

10.1 This includes amount of Rs. 3.919 million (June 2017: 5.020 million) charged by the parent company (KSB SE & Co. KGaA) on account of various services provided to the Company.

Half year ended

	June 30, 2018 ----- Unaudited ----- (Rupees in thousand)	June 30, 2017 ----- Unaudited ----- (Rupees in thousand)
Increase/(decrease) in current liabilities:		
Trade and other payables	(108,660)	636,951
Provisions for other liabilities and charges	(23,969)	(33,956)
	(132,629)	602,995
	(317,158)	602,817

13. Cash and cash equivalents

Cash and cash equivalents comprise the following items:

	June 30, 2018 ----- Unaudited ----- (Rupees in thousand)	June 30, 2017 ----- Unaudited ----- (Rupees in thousand)
Cash and bank balances	131,234	629,069
Short term finances	(391,459)	(152,045)
	(260,225)	477,024

14. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk

The condensed interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements as at December 31, 2017.

There have been no changes in the risk management policies since the year end.

15. Date of authorization for issue

This condensed interim financial information was authorized for issue on August 16, 2018 by the Board of Directors of the Company.

16. Events after balance sheet date

No material events have occurred subsequent to June 30, 2018.

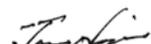
17. Corresponding figures

In order to comply with the requirements of International Accounting Standard (IAS) 34, 'Interim Financial Reporting', the condensed interim balance sheet and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year; whereas, the condensed interim profit and loss account, condensed interim statement of comprehensive income and condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purposes of comparison. However, no significant rearrangements has been made except for those mentioned in note 3.


Chief Executive


Chief Financial Officer


Director



ڈائریکٹرز کا جائزہ

میں 30 جون 2018ء کو ختم ہونے والی ششماہی کے لئے KSB پیپس کمپنی لمیٹڈ کے مالیاتی کھاتے پیش کرتے ہوئے خوشی محسوس کرتا ہوں۔ پاکستان نے گزشتہ تیرہ سالوں کے دوران سب سے زیادہ جی ڈی پی نمو 5.8 فیصد حاصل کی۔ مجموعی افراط زر میں اضافہ ہوا لیکن 6 فیصد سے کم رہا۔ مستقبل میں، تاہم، تیل کی قیمتیں بڑھنے اور روپیہ کی قدر میں کمی کی وجہ سے یہ شرح ہدف سے بڑھنے کی توقع ہے۔ غیر ملکی ذخائر میں کمی اور کرنٹ اکاؤنٹ خسارہ میں اضافہ کے باعث حکومت کو فنڈز بڑھانے کے لئے فوری اقدامات اٹھانے چاہئیں۔ پانی کی قلت، تیشویشاک ہوگئی ہے اور مستقبل میں زراعت کی ترقی پر اثرات ڈالے گی۔ توانائی کی قلت نے گزشتہ قرضہ میں اعلیٰ سطح پر اضافہ ہوا ہے۔ موجودہ معاشی حالات اور روپیہ کی قدر میں کمی کو دیکھتے ہوئے، اسٹیٹ بینک آف پاکستان نے پالیسی کی شرح میں اضافہ کر دیا ہے جس سے صنعتی ترقی کی راہ میں رکاوٹ بڑھ سکتی ہے۔ پاکستان کو FATF کی گرے لسٹ سے ہٹانے کے لئے سخت کوششوں کی ضرورت ہے۔ سیاسی بد امنی دیگر خطرات میں سے ایک ہے، خاص طور پر حالیہ انتخابات کی وجہ سے سیاسی کشیدگی میں اضافہ، حکومت کی تشکیل کا عمل اور اس طرح مجموعی اقتصادی کارکردگی کی سستی کا باعث ہو سکتا ہے۔ اس کے نتیجے میں، مالی سال 2019 کے لئے پاکستان کی جی ڈی پی نمو ہدف سے نیچے رہنے کی توقع ہے۔

معیشت میں موجودہ سست رفتار کے باوجود، کے ایس بی نے سال 2018 کی پہلی ششماہی میں مثبت مالی نتائج حاصل کئے ہیں۔ گزشتہ سال کے اسی عرصے کی آمدنی سے 7 فیصد اضافہ ہوا ہے۔ سال 2017 کی پہلی ششماہی میں 175 ملین پاکستانی روپے کے مقابلے اس سال ٹیکس کے بعد منافع 170 ملین پاکستانی روپے رہا ہے۔ سال 2017 کی پہلی ششماہی میں 13.26 پاکستانی روپے فی شیئر آمدنی کے برعکس اس سال فی شیئر آمدنی 12.93 پاکستانی روپے رہی ہے۔

پورے ملک میں انتخابی عمل کی وجہ سے مجموعی کاروباری سرگرمی سست رہی۔ ایکشن کمیشن آف پاکستان نے عبوری مدت کے دوران ترقیاتی فنڈز بند کر دیئے۔ نئی حکومت اگست میں قائم ہوگی، تاہم، سرکاری شعبے کی سرگرمی Q4-2018 میں ہونے کی توقع ہے۔ پہلی ششماہی میں، صنعت، توانائی اور بلڈنگ سروسز کمپنی کے آرڈر انٹیک میں اہم شراکت دار شعبے رہے ہیں۔ زیر دست صحت مند آرڈرز کی بنیاد پر، آمدنی اور منافع بخش تخمینے 2018 کے لئے مثبت رہے ہیں۔ نیا فاؤنڈری پلانٹ کامیابی سے کمیشن ہوگئی ہے اور آزمائشی مرحلہ سے گزرنے کے بعد، مخصوص مصنوعات کی پیداوار شروع ہوگئی ہے۔ نہایت ہی جدید مکمل خود کار پلانٹ سے پیداوار، معیار اور کام کی کارکردگی میں اضافہ ہوا ہے۔

میں پہلی ششماہی کے دوران تمام KSB ٹیم کے عزم اور کوششوں کو سراہتا ہوں اور سال 2018 کی کامیابی کے لئے دعا گو ہوں۔

مخائب بورڈ



محمد مسعود اختر

مئنجر ڈائریکٹر

16 اگست 2018ء

لاہور، پاکستان

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